

PREVAILED

Roll Call No. \_\_\_\_\_

FAILED

Ayes \_\_\_\_\_

WITHDRAWN

Noes \_\_\_\_\_

RULED OUT OF ORDER

## HOUSE MOTION \_\_\_\_\_

MR. SPEAKER:

I move that House Bill 1447 be amended to read as follows:

- 1           Page 5, between lines 35 and 36, begin a new paragraph and insert:  
2           "SECTION 10. IC 6-1.1-4-4.5, AS AMENDED BY P.L.228-2005,  
3           SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
4           JULY 1, 2009]: Sec. 4.5. (a) The department of local government  
5           finance shall adopt rules establishing a system for annually adjusting  
6           the assessed value of real property to account for changes in value in  
7           those years since a general reassessment of property last took effect.  
8           (b) Subject to subsection (e), the system must be applied to adjust  
9           assessed values beginning with the 2006 assessment date and each year  
10          thereafter that is not a year in which a reassessment becomes effective.  
11          (c) The rules adopted under subsection (a) must include the  
12          following characteristics in the system:  
13               (1) Promote uniform and equal assessment of real property within  
14               and across classifications.  
15               (2) **For assessment dates before January 16, 2009**, require that  
16               assessing officials:  
17                    (A) reevaluate the **market** factors that affect value;  
18                    (B) express the interactions of those **market** factors  
19                    mathematically;  
20                    (C) use mass appraisal techniques to estimate updated property  
21                    values within statistical measures of accuracy; and  
22                    (D) provide notice to taxpayers of an assessment increase that  
23                    results from the application of annual ~~adjustments~~ **market**

1 factors.

2 (3) For assessment dates after January 15, 2009, establish a  
3 mass appraisal methodology that:

4 (A) promotes uniform and equal assessment of real  
5 property within and across classifications;

6 (B) simplifies the methodology used to estimate property  
7 values in a way that promotes broad public understanding  
8 of and agreement with the market factors used to  
9 determine the values assigned to particular parcels of real  
10 property;

11 (C) estimates property values separately for each class of  
12 property; and

13 (D) employs, statewide, the smallest number of different  
14 market factors within each classification of property that  
15 will permit compliance with clauses (A), (B), and (C) and  
16 subsection (d).

17 (4) For assessment dates in each year after 2011 in which a  
18 general reassessment does not become effective, require  
19 assessing officials, technical advisers, and professional  
20 appraisers to do the following:

21 (A) Use the market factors established under this section  
22 for the estimation of property values.

23 (B) Provide notice to taxpayers of an assessment increase  
24 that results from the application of annual market factors.

25 ~~(5)~~ (5) Prescribe procedures that permit the application of the  
26 adjustment percentages in an efficient manner by assessing  
27 officials.

28 (d) For assessment dates occurring before January 16, 2009, the  
29 department of local government finance must review and certify each  
30 annual market adjustment determined under this section. For  
31 assessment dates occurring after January 15, 2009, the department  
32 of local government finance shall, subject to subsection (g),  
33 establish the market factors to be used for each class of property  
34 in Indiana. In establishing market factors, the department of local  
35 government finance shall:

36 (1) reevaluate the market factors that affect value;

37 (2) express the interactions of those market factors  
38 mathematically; and

39 (3) use mass appraisal techniques to estimate updated  
40 property values within statistical measures of accuracy;

41 consistent with the requirement of subsection (c)(3). The  
42 department of local government finance shall base the development  
43 of the market factors on the value changes occurring to large  
44 samples of similarly situated properties located in more than one  
45 (1) county. The department of local government finance shall  
46 provide for the application of the same market factors to similarly  
47 situated properties located in the same county and, to the extent

**determined appropriate by the department of local government finance, to similarly situated properties located in contiguous counties.**

**(e) This subsection applies to determining the market value in use of agricultural land.** In making the annual determination of the base rate to satisfy the requirement for an annual adjustment under subsection (a) the department of local government finance shall determine the base rate using the methodology reflected in Table 2-18 of Book 1, Chapter 2 of the department of local government finance's Real Property Assessment Guidelines (as in effect on January 1, 2005), except that the department shall adjust the methodology to use a six (6) year rolling average instead of a four (4) year rolling average.

**(f) This subsection does not restrict the evidence that a person appealing a property tax assessment may use to demonstrate the true tax value of property in a timely filed appeal. Except as expressly provided by statute, an assessing official may not use any method of adjusting the assessed value of property that does not:**

**(1) use the market factors established by the department of local government finance; or**

**(2) apply the market factors in conformity with the procedures prescribed by the department of local government finance.**

**(g) A county assessor may adjust a market factor established under subsection (d) if:**

**(1) the county assessor determines that the adjustment is necessary; and**

**(2) the department of local government finance approves the adjustment."**

Renumber all SECTIONS consecutively.

(Reference is to HB 1447 as printed February 20, 2009.)

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Representative Espich